

109TH CONGRESS  
2D SESSION

# S. 4035

To amend the Higher Education Act of 1965 to repeal the school as lender program.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2006

Mr. SCHUMER introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Higher Education Act of 1965 to repeal the school as lender program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SCHOOL AS LENDER.**

4       (a) REPEAL OF THE SCHOOL AS LENDER PRO-  
5       GRAM.—Paragraphs (2), (3), and (4) of section 435(d) of  
6       the Higher Education Act of 1965 (20 U.S.C. 1085(d))  
7       are repealed.

8       (b) CONFORMING AMENDMENTS.—Section 435(d) of  
9       the Higher Education Act of 1965 is further amended—

10               (1) in paragraph (1)—

1 (A) by striking subparagraph (E); and

2 (B) by redesignating subparagraphs (F)  
3 through (K) as subparagraphs (E) through (J),  
4 respectively; and

5 (2) by redesignating paragraphs (5) and (6) as  
6 paragraphs (2) and (3), respectively.

7 (c) CROSS REFERENCES.—The Higher Education  
8 Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

9 (1) in section 428(h) (20 U.S.C. 1078(h))—

10 (A) in paragraph (1), by striking “or (F)”  
11 and inserting “or (E)”;

12 (B) in paragraph (2)(A), by striking “or  
13 (F)” and inserting “or (E)”; and

14 (C) in paragraph (2)(B), by striking “or  
15 (F)” and inserting “or (E)”; and

16 (2) in section 439 (20 U.S.C. 1087–2)—

17 (A) in subsection (d)(1)(B), by striking “or  
18 (F)” and inserting “or (E)”; and

19 (B) in subsection (o)(2), by striking “or  
20 (F)” and inserting “or (E)”.

21 (d) EFFECTIVE DATE.—The amendments made by  
22 this section shall apply to loans for which the first dis-  
23bursement is made on or after July 1, 2007.

1 **SEC. 2. HERA REPEAL.**

2       Section 8011 of the Higher Education Reconciliation  
3 Act of 2005 (Public Law 109–171, 120 Stat. 165) is re-  
4 pealed.

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